1660 Wynkoop St., Suite 1000
Denver, Colorado 80202-1132
PHONE: 303 573-1660
FAX: 303 595-9385
EMAIL: royalgold@royalgold.com
www.royalgold.com

NEWSRELEASE

ROYALGOLD, INC

FOR IMMEDIATE RELEASE: **FOR FURTHER INFORMATION CONTACT:**

Stanley Dempsey, Chairman, CEO & President of
Royal Gold, Inc.
or
Karen Gross, Vice President & Corporate Secretary
of Royal Gold, Inc. and Corporate Secretary of High Desert
Mineral Resources, Inc.
(303) 573-1660

ROYAL GOLD AND HIGH DESERT FILE SHORT FORM MERGER

DENVER, COLORADO. DECEMBER 17, 2002. ROYAL GOLD, INC. (NASDAQ: RGLD; TSX: RGL) and **HIGH DESERT MINERAL RESOURCES, INC. (TSE-VE: HDR)** announced today that they filed a short form merger with the State of Delaware to merge a subsidiary of Royal Gold, Inc. into High Desert Mineral Resources, Inc. ("High Desert"). Royal Gold owns and controls 93.5% of the issued and outstanding shares of High Desert and this filing of a short form merger will allow it to proceed with a compulsory acquisition, under Delaware law, of the remaining outstanding High Desert shares.

Under the short form merger, all minority stockholders of High Desert will be entitled to US$0.572 per common share of High Desert. This price was calculated by using the average of the closing price of the Royal Gold shares on the trading day before and after the agreement, dated November 9, 2002, to purchase the 93.5% of High Desert was entered into, which was US$19.855. All minority stockholders of High Desert will receive notice and instructions on how to exchange High Desert stock for cash.

The annual meeting of High Desert stockholders that was adjourned on December 3, 2002, and rescheduled for December 17, 2002, has been cancelled.

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High Desert is a gold royalty and exploration firm, based in Elko, Nevada, and is listed on the Canadian Venture Exchange under the symbol "HDR." High Desert owns a 2% carried working interest, equal to a 2% net smelter returns royalty, in the Newmont HD Venture property (Leeville project), operated by Newmont Mining. It also owns a 1% net smelter returns royalty on the SJ Claims, which covers a large part of the Screamer and West Betze deposits, operated by Barrick Gold.

High Desert also has a portfolio of gold exploration properties in Nevada, and royalties on non-producing gold properties located in Nevada.

Royal Gold is a dividend paying, U.S.-based royalty company engaging in the acquisition and management of precious metals royalty interests. Royal Gold is publicly traded on the NASDAQ National Market System, under the symbol "RGLD," and on the Toronto Stock Exchange, under the symbol "RGL." The Company's main office is located at 1660 Wynkoop Street, Suite 1000, Denver, Colorado 80202-1132, USA. The Company's web page is located at www.royalgold.com.

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